GOVERNMENT OF INDIA
STEEL
LOK SABHA

UNSTARRED QUESTION NO:942
ANSWERED ON:27.02.2001
VISAKHAPATNAM STEEL PLANT
M.V.V.S MURTHI

Will the Minister of STEEL be pleased to state:

(a) whether CBI has registered a case against some officials of Visakhapatnam Steel Plant for causing loss to the company to the tune of crores of rupees;

(b) if so, the details thereof;

(c) the details of the seizures made by CBI during the search operation in this regard; and

(d) the further steps taken by the Government in the matter?

Answer

MINISTER OF STATE FOR STEEL (SHRI BRAJA KISHSORE TRIPATHY)

(a)to(d): A Regular Case No.6(A)/96 ACU.VIII (IX) had been registered on 12.7.96 on the allegation relating to certain amendments made in value based advance licences (VABAL)issued to Visakhapatnam Steel Plant (VSP) by Directorate General of Foreign Trade (DGFT), resulting in undue benefit of Rs. 1.27 crores to a private firm M/s Roopali Agencies (P) Ltd., Delhi and corresponding loss to the exchequer.

At the time of finalization of the investigation, a PIL No. 431/96 had also been filed before the Hon`ble Supreme CourtAfter completion of investigation, the status report was submitted before the Hon`ble Court on 13.1.1997. The Hon`ble Supreme Court passed an order on 24.1.1997 dropping the PIL No. 431/96 and passed orders for closure. Accordingly, in the light of the orders of Hon`ble Supreme Court and the fact that sufficient evidence was not found against the Suspect Officers, a closure report U/s 173 Cr. PC was filed in the competent court on 23.10.1997. The court vide its order dated 16.10.2000 has accepted the closure report filed by the CBI.